

## **103 KAR 28:010. Admissions.**

RELATES TO: KRS 138.480, 139.010, 139.200, 139.470, 139.482, 139.495

STATUTORY AUTHORITY: KRS 131.130(1)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 131.130(1) authorizes the Department of Revenue to promulgate administrative regulations necessary for the administration and enforcement of all tax laws in Kentucky. This administrative regulation establishes sales and use tax requirements for sale of admissions.

Section 1. Definition. "Admissions" means the right of entrance to a display, program, sporting event, music concert, performance, play, show, movie, exhibit, fair, or other entertainment event or amusement.

Section 2. (1) The gross receipts from the sale of admissions shall be subject to tax unless the fees are paid for the privilege of using the facilities or participating in the event or activity or the fee is a separate or additional charge from any general admission charge.

(2)(a) If the tax is included in the total price, a statement shall appear on the ticket to the effect that the sales tax is included in the price unless the tax is separately stated on a sign posted in a conspicuous place at the ticket window and all sales are made at the ticket window

(b) If the tax is not included in the total price, a receipt shall be given showing that the sales tax was charged and separately stated.

(3) Each admission shall be a separate sale.

(4) Payments that are required as a prerequisite for admission even if designated as a donation shall be subject to tax.

Section 3. (1) Tuition, registration fees, or ticket charges paid to attend instructional seminars, conferences, or workshops shall not be considered the taxable sale of admissions if the primary intent of the program is for education rather than entertainment.

(2) Separate charges for books, tapes, or other materials sold at or in conjunction with instructional seminars, conferences, or workshops shall be subject to sales and use tax unless an applicable exemption applies.

Section 4. Taxable Admissions. The list in this section shall serve as examples of admissions paid that are subject to the tax:

- (1) Amusement parks;
- (2) Art exhibits;
- (3) Auditoriums where lectures and concerts are given for entertainment purposes;
- (4) Bars with cover charges;
- (5) Baseball parks;
- (6) Box seats;
- (7) Cabarets;
- (8) Dance halls;
- (9) Fairgrounds;
- (10) Football stadiums;
- (11) Gymnasiums;
- (12) Movie theatres;
- (13) Museums;
- (14) National park facilities that are operated under lease;
- (15) Night clubs;

- (16) Race tracks;
- (17) Simulcast facilities;
- (18) Skating rinks or skating parks as a spectator;
- (19) State parks;
- (20) Street fairs; or
- (21) Theatres.

Section 5. Nontaxable fees. The list in this section shall serve as examples of nontaxable fees if the fees are paid for the privilege of using the facilities or participating in an event or activity or the fee is a separate or additional charge from any general admission charge:

- (1) Amusement park ride charges;
- (2) Bowling fees;
- (4) Fishing or picnicking fees;
- (5) Golf, greens fees or driving range fees;
- (6) Miniature golf fees;
- (7) Skating fees;
- (8) Skiing charges; or
- (9) Swimming fees.

Section 6. The admissions listed in this section shall not be subject to sales tax:

- (1) Admissions to race tracks upon which tax is levied under KRS 138.480;
- (2) Admissions to historical sites defined in KRS 139.482;
- (3) Admissions sold by nonprofit charitable and educational institutions qualifying for exemption under KRS 139.495;
- (4) Complimentary passes provided by the person conducting the event; or
- (5) Gross receipts from the first \$50,000 in sales of admissions to county fairs as provided in KRS 139.470(22).

Section 7. (1) This administrative regulation shall replace Revenue Circular 51C001-S6 and Revenue Policies 51P396 and 51P400.

(2) Revenue Circular 51C001-S6 and Revenue Policies 51P396 and 51P400 are hereby rescinded and shall be null, void, and unenforceable. (SU-57-2; 1 Ky.R. 467; eff. 3-12-1975; Am. 9 Ky.R. 1153; eff. 5-4-1983; 33 Ky.R. 2346; 3153; eff. 5-4-2007; TAm eff. 6-22-2016.)